

Jack G. Marcil
Ronald H. McLean
Roger J. Minch
Maureen Holman
Brad A. Sinclair
Jane L. Dynes
Timothy G. Richard
Joseph A. Wetch, Jr.
Berly D. Nelson
Peter W. Zuger

Also Licensed in MN



Gary A. Rockne
Office Manager

Retired:
Armond G. Erickson
Lowell W. Lundberg

Norman G. Tenneson
(1898-1982)
Chester J. Serkland
(1909-1996)

April 6, 2010

SENT VIA EMAIL AND REGULAR MAIL
MBurton@losgs.com

Matthew R. Burton
Leonard O'Brien et al
100 S 5th St Ste 2500
Minneapolis, MN 55402

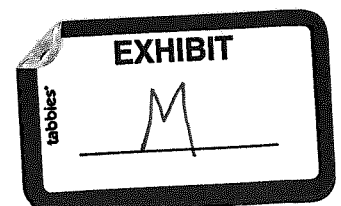
**RE: Dennis E. Hecker Chapter 7 Bankruptcy Case #09-50779
Royal Jewelers and Waterfront Properties**

Dear Mr. Burton:

Not waiving attorney/client privilege, this letter will address watches that were forwarded by Dennis Hecker to Royal Jewelers.

During the week of February 22, 2010, Richard Olson met Dennis Hecker in Minneapolis, Minnesota, with the understanding to discuss the status of the Waterfront Condo in Arizona, the prospects of selling the same, and Dennis Hecker's future use of the same. During the meeting, Dennis Hecker gave to Richard Olson a shaving kit with watches in the shaving kit requesting that Richard Olson appraise the watches and determines any of the watches were fake. Due to the quality of fake watches, the watch would have to be taken apart by a watch repair specialist to examine all of the moving parts to determine authenticity.

Richard Olson from Royal Jewelers transported the watches back to his business and was out of town essentially from March 1st through March 14, 2010. During the second week of March, 2010, Royal Jewelers received a box containing two watches. One watch was represented to be that of Dennis Hecker and the second watch was represented to be owned by a third party. Richard Olson had not found the time to have the watches reviewed when my office sent correspondence to Richard Olson dated April 1, 2010, regarding the Trustee's recent motion dated March 29, 2010, seeking information from Dennis Hecker regarding the sale or transfer of Hecker's watches after June 4, 2009, through April 1, 2010. Without waiving attorney/client privilege, I informed my clients that the estate is asserting that Dennis Hecker has not accounted fully for all of his watches post-petition and if Royal Jewelers is aware of any transfer of watches by Dennis Hecker, Royal Jewelers should contact my office.



Richard Olson informed my office that Dennis Hecker had requested Royal Jewelers to appraise the watches but Royal Jewelers had not taken the time yet to appraise and inspect the watches. Dennis Hecker was informed by Richard Olson in their February, 2010, meeting that should any person inquire as to Dennis Hecker seeking services of Royal Jewelers, that Royal Jewelers would notify the inquiring party of Dennis Hecker's request that Royal Jewelers appraise watches. Dennis Hecker consented to such disclosure.

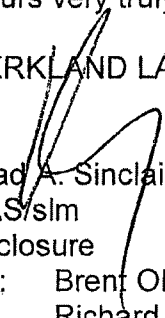
I contacted your office last night regarding Royal Jewelers contacting my office and informing my office of watches in the possession of Royal Jewelers.

Royal Jewelers had inspected the watches at your request on April 6, 2010, and the attached list, Exhibit A, is a list of the 9 watches that were transferred to Royal Jewelers for appraisal and inspection. Item #10 is a pair of diamond cuff links. The box that contained two watches were sent to Royal Jewelers approximately the second week of March, 2010, contained one watch which was represented not to be Dennis Hecker's. Before Royal Jewelers could inspect the watch, the watch was requested to be returned to the original owner. The watch was returned to the alleged owner in the Minneapolis, Minnesota, area. The watch was a ladies diamond Chanel "J12" Chronograph wristwatch. The watch is a black ceramic case and bracelet, black dial, diamond bezel, diamond bracelet, model #H1706, serial number LR56382. The retail price of the watch is \$36,500.00. Royal Jewelers does not sell this type of watch, and has no idea as to any used value for the watch. Due to confidentiality concerns, the person who Dennis Hecker represented owns the diamond Chanel "J-12" cannot be disclosed to your office until your office provides my office with a subpoena. The subpoena may be emailed to my office with an admission of service. My office will execute the admission of service and promptly provide your office with information regarding the person to whom the watch returned to by mail by Royal Jewelers.

Pursuant to the correspondence I have received today from both the US Trustee, Randy Seaver and yourself, Royal Jewelers will make the items disclosed in attached Exhibit A available to the Minnesota Highway Patrol for retrieval from my office. My office needs an approximate time and date that the items will be retrieved so that the items may forwarded to my office from Royal Jewelers' safe.

Yours very truly,

SERKLAND LAW FIRM


Brad A. Sinclair
BAS/slm
enclosure

Cc: Brent Olson
Richard Olson

1. Gents watch, Breitling, stainless steel, red face, pilot bracelet. Model number 1A13356, serial number 2193407. Estimated CashValue - \$1500.00
2. Gents watch, Breitling Superocean, stainless steel, blue face, blue rubber strap. Model number A17320, serial number 1091808, Estimated CashValue \$900.00
3. Gents watch, stainless steel, Andemars Piguet, royal oak offshore chronograph, black face, black rubber strap. Model number F10000, serial number 4329. Estimated CashValue - \$8000.00
4. Gents Rolex watch, 18K yellow gold Yacht Master, white face. Model number 16628, serial number N269042. Estimated Cash Value - \$8000.00
5. Gents Rolex watch, 18K yellow gold Daytona chronograph, white face, leather strap. Model number 116518, serial number P367637. Estimated CashValue - \$7500.00
6. Gents watch, stainless steel, Tudor Tiger, yellow dial, chronograph, yellow strap. Model number 79260, serial number B981723. Estimated Cash Value - \$700.00
7. Gents watch, stainless steel, Panerai Luminor, white dial, brown strap. Model number OP6520, serial number BB999079C0272/1500. Estimated CashValue - \$2000.00
8. Gents watch, stainless steel, Panerai Luminor Daylight date/chronograph, black face, black strap. Model number OP6637, serial number PB529420H1367/1500. Estimated Cash Value - \$2500.00
9. Gents watch, 18K yellow gold Rolex Yacht Master, Mother of Pearl ruby dial. Model number 16628, serial number P787215. Estimated CashValue - \$11,000.00
10. 18K yellow gold diamond cuff links "Quad" Serial numbers 8053 1.31 and 8053 1.30. Estimated CashValue - \$1500.00

Exhibit A